

# OHR BiH Media Round-up, 6/1/2006

Latest radio news broadcast at 12.00 on 6 January

| <b>RADIO HERCEG-BOSNA</b><br>(12,00 hrs) | <b>BH Radio 1</b> (12,00 hrs)  |
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| Komarica on Catholic School Centres      | EUFOR to conduct investigation |
| FBiH Team for Monit. of Prices mtg       | Abazovic's condition stable    |
| Paravac at commem. in Kravice            | Abolishment of MoDs depts.     |

TV news broadcast on 5 January

| <b>RADIO HERCEG-BOSNA</b><br>(18,00 hrs) | <b>TV PINK</b> (18,00 hrs)         | <b>BHT 1</b> (19,00 hrs)             |
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| EUFOR action in Rogatica                 | Women killed in EUFOR action       | EUFOR to arrest war crime suspect    |
| HDZ session                              | SDS means transferred to BiH Inst. | Condition of Abazovic father and son |
| Talks on constitutional changes          | McElhaney: progress was made       | Cavic's request to EUFOR Comm.       |
| McElhaney on constitutional changes      | Tihic accepted compromise          | World News                           |

| <b>NTV Hayat</b> (19,00 hrs)     | <b>FTV</b> (19,30 hrs)          | <b>RTRS</b> (19,30 hrs)  |
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| No BiH citizens injured in Mecca | BiH citizens largest pessimists | EUFOR action in Rogatica |

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| Reactions to arresting Abazovic        | VAT: price of medicines increased    | Talks on constitutional changes   |
| SDS assets redirected to BiH institut. | SDP: Terzic's bonuses for his people | SDS funds to be forwarded         |
| Raguz not allowed to HDZ session       | Market Inspectors in CS in action    | Cavic on redirection of SDS funds |

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| <b>Oslobodjenje</b>       | McElhaney: Burns told BiH politicians what to do                                |
| <b>Dnevni Avaz</b>        | McElhaney: Precise instructions are coming from Washington                      |
| <b>Dnevni List</b>        | Rada Abazovic killed, son and father heavily wounded                            |
| <b>Vecernji List</b>      | Not published because of Epiphany   |
| <b>Slobodna Dalmacija</b> | Not published because of Epiphany   |
| <b>Glas Srpske</b>        | Wife dead, son wounded [EUFOR action near Rogatica]                             |
| <b>Nezavisne Novine</b>   | Woman was killed, her son and husband were wounded [EUFOR action near Rogatica] |
| <b>Blic</b>               | EUFOR was arresting a suspect, killed his wife and wounded his son              |

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| <b>LATEST NEWS OF TODAY</b> |
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| Abazovic's condition stable                            | <b>BH Radio 1</b> – Spokesperson of Sarajevo University Hospital, <b>Biljana Jandric</b> confirmed that <b>Dragomir Abazovic</b> , who was wounded in EUFOR's action in Rogatica, underwent surgery on Thursday night and that his health condition is now stable. Condition of his son Dragoljub, 11 years old, is also stable. Reporter reminded that Cantonal Prosecution in Sarajevo has opened investigation against Abazovic several years ago, suspecting him of war crimes. |
| EUFOR to conduct investigation into Rogatica operation | <b>BH Radio 1</b> – EUFOR Spokesperson <b>Jem Thomas</b> stated that EUFOR will conduct investigation into Thursday's action in Rogatica, during which one person was killed and two severely wounded. Thomas stressed that if the investigation proves that an EUFOR member breached the rules in any way/illegally used the weapon, he will be prosecuted before judiciary of his country.  |

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| <p>McElhaney: this round of constitutional talks was extremely successful</p> | <p><b>FTV</b> by <u>Blazica Kristo</u>– U.S. Ambassador to BiH <b>Douglas McElhaney</b> summarised results of most recent round of negotiations on constitutional changes, where he sees this round as extremely successful, even though (as Reporter comments) he wasn't able to give direct answers to reporters' questions. McElhaney stated that negotiators have discussed the legislative issues, BiH House of Representatives and some elements in regard to BiH Presidency. Reporter comments that Ambassador wasn't even able to confirm the agreement on 87 representatives in BiH HoR. <i>"These are difficult issues, but I am encouraged by joined efforts. So, difficult issues are lying before us, but mutual understanding among political leaders exist that compromise is necessary for all sides, in order to pass decision in best interest of citizens"</i>- stated McElhaney. Ambassador reminded that next round is scheduled for 15-16 January, when politicians will discuss issue of BiH Presidency and BiH Parliament. <b>RHB, RTRS, BHT1, Hayat, Pink, Dnevni List</b> pg 2 'McElhaney: Good progress achieved' by <u>D.P. Mandić</u> also carried the Ambassador's statement.</p> <p><b>Oslobodjenje</b>, cover page splash, pgs 4 and 5, 'Burns told BiH politicians what to do' by <u>A.Omeragic</u> – Daily comments that despite <b>Douglas McElhaney's</b> statement expressing the satisfaction with the talks on constitutional changes, whereas fact that US Undersecretary for Political Affairs <b>Nicholas Burns</b> had to talk to BiH politician proves otherwise. Daily argues that Burns told them what to do. <b>Dnevni Avaz</b>, cover page splash 'McElhaney: Precise instructions are coming from Washington' page 5 'McElhaney: Higher level of progress achieved' by <u>S.Numanovic</u> also reported on McElhaney's press conference.</p> <p><b>Nezavisne Novine</b> pg 4 'Douglas McElchaney expects agreement on 15 and 16 January', announced on cover 'Powers of president and vice presidents agreed on' by <u>M.Cubro</u> – US Ambassador also said <i>"we have agreed on powers of president and vice president, and their relation with the BiH COM and BiH Parliament in order to avoid overlapping of powers"</i>, without going into further details.</p> <p><b>Vecernje Novosti</b> pg 5 'Half a way to constitution' by <u>D.S.</u>, <b>Glas Srpske</b> pg 5 'Burns negotiated too' by <u>Z.D.</u> – also report on McElchaney's statement</p> |
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| <p>Comments on ended round of negotiations on const. Changes</p> | <p><b>FTV</b>– HDZ Main Board agreed on the stance on constitutional changes. Covic explained that they will not publicize this, because all politicians have agreed on this, in order not to endanger the following round of negotiations on constitutional changes. <b>PINK</b>– SDA Chair <b>Sulejman Tihic</b> stated that he has accepted the compromise, according to which BiH President and Vice- Presidents are to be elected by BiH House of Representatives, by the proposal of caucuses in BiH House of Peoples. Tihic explained that this option would remove the fear of possible majority supremacy. SDS Chair <b>Dragan Cavic</b> expressed optimism on negotiations, adding that negotiations are lasting long, but it is important to finish this without influence from aside. <i>“These issues are the most important issues for which the solutions should be searched...There will be no solutions if political stubbornness and fastidiousness are present”</i>- states Cavic. Cavic stated that solutions can be found, but he couldn't predict how, being that stances on election for BiH HoP, decision making for BiH HoR and BiH Presidency, differ a lot. <b>RTRS</b>– PDP Chair <b>Mladen Ivanic</b> stated that BIH Constitution should be a base of talks rather than idealistic concepts. Member of SNSD <b>Krstan Simic</b> stated that constitutional changes can be agreed upon if parties from FBiH show political will. SzBiH and SDA repeated their stances by which ethnic principles are erased and as they claim provide civil democracy. SDP Chair <b>Zlatko Lagumdžija</b> stated that he expects that party leaders will reach an agreement on constitutional changes in the next round of talks.</p> <p><b>Dnevni Avaz</b> pg 4 ‘Simic: Last round was dreadful at moments’ by <u>A. Malagic</u>- Commenting the last round of the talks on the constitutional changes, the SDP leader <b>Zlatko Lagumdžija</b> stated that parties have agreed on individual authorities of the President and the issues on which he/she must consult the Vice Presidents. In addition, parties are yet to reach an agreement on election of the President and Vice/Presidents and their authorities. SNSD vice-president <b>Krstan Simic</b> believes that agreement could be reached in the continuance of talks, describing the last round as complicated and dreadful at moments. Simic adds <i>“significant progress has been made.”</i></p> <p><b>Oslobodjenje</b> pg 4 ‘ End of talks regardless to the result’ also carried SDS/RS President Cavic’s statement.</p> <p><b>Dnevni List</b> pg 5 ‘Support to Halilovic in negotiations’ <u>not signed</u> – The SBiH Executive Commission gives a strong support to President of the SBiH Presidency <b>Safet Halilovic</b> and member of the SBiH Presidency <b>Beriz Belkic</b> who on behalf of this party participate in the negotiations on constitutional changes and persist on the model of BiH that eliminates ethnic principles and secures civic democracy. DL says that SBiH founder <b>Haris Silajdzic</b> also attended the session of the SBiH Executive Commission.</p> <p><b>Nezavisne Novine</b> pg 4 ‘Rotation at Presidency is of crucial importance’ by <u>V.Popovic</u>, <b>EuroBlic</b> RSpG 2 ‘RS representatives caused Tihic’ blood pressure raise’ by <u>D. S.</u> – <b>Cavic</b> said that talks agreed BiH should have a presidency composed of president and two vice presidents, adding: <i>“Functions assigned to presidency as collectivity were defined...Issue of rotation remains unsolved, as well as issues of election of delegates to HoP and decision-making process at BiH HoR.”</i></p> <p><b>Glas Srpske</b> pg 5 ‘Painful and partial’ by <u>Z.Markovic</u> – also carries Cavic’s statement (re. Presidency) and statements of <b>Simic</b> and <b>Ivanic</b> (re. HoP).</p> <p><b>Glas Srpske</b> pg 5 ‘Not to be too late’ by <u>D. Mo.</u> – <b>Milanko Mihajlica</b>, President of the Serb Radical Party Thursday stated that talks on constitutional changes should be terminated, since each and every round of talks brings new damage to Serb people and RS, adding: <i>“Bosniak politicians always make new conditions and their goals are being gradually accomplished. No participation should be taken in talks on constitutional changes until will of Serb people, i.e. in what BiH it wants to live, is respected.”</i></p> |
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| Oslobodjenje, op-ed: Chief of state has to be representative of all BiH citizens                  | <b>Oslobodjenje</b> , op-ed pg 9, 'Chief of State' by <u>Zija Dizdarevic</u> – In states of mature democracy, President is the representative the state and all of its citizens, regardless of his authorities and political option, says editorial, adding that his capability for running the state is implicit. For the sake of comparison author turns to BiH Presidency members, commenting that they have been representing just one nation, some of them having double citizenship, some have been removed and prosecuted. Editorial closes with comment that future chief of state must be the representative of each citizen, and must not be chosen on basis of entity or ethnicity.  |
| SNSD's Dodik met Serbian President Tadic: Tadic pleads for agreement among all sides in BiH       | <b>Nezavisne Novine</b> pg 2 'Tadic pleads for agreement among all sides in BiH', announced on cover 'Dodik: Tadic pleads for an agreement of all sides in BiH' by <u>D. Vidakovic</u> – SNSD Chair <b>Milorad Dodik</b> met with Serbian President <b>Boris Tadic</b> in Belgrade. They discussed political situation in BiH and party issues. They concluded that constitutional changes in BiH could occur if all 3 peoples in BiH agree on it. Tadic and Dodik agreed that a full stability in the region must be a priority for all countries in it.<br><b>Vecernje Novosti</b> pg 4 'We will overthrow the Government' by <u>D. Radeka</u> – carries a short interview with Dodik, in which he reiterated SNSD's stances with regard to political situation in RS and described his meeting with Tadic.   |
| HDZ Main Board support President Covic; Raguz, Merdzo bodily prevented from attending the session | <b>FTV</b> by <u>Anita Damjanovic</u> – As Reporter comments, HDZ started to use physical force to solve disputes within the party. Expelled members <b>Martin Raguz</b> and <b>Josip Merdzo</b> expected that HDZ Main Board will discuss their appeal to decision on their expel, but their access to Main Board session was physically disabled. HDZ Main Board discussed constitutional changes and it seems that expelling of Raguz, Merdzo and <b>Josip Ljubic</b> was not even part of the agenda. (Reporter opens with scene when Raguz was physically removed) Raguz asked journalists for understanding (he was clearly disturbed) stressing that HDZ Main Board is authorized by the Statute to discuss their appeal. <i>"I came to the session of the Main Board and here, before the witnesses, from a side of unauthorized and unidentified people I am physically prevented to attend the session of the Main Board"</i> - said Raguz. Reporter comments that Raguz and Merdzo wanted to invite Main Board to discuss their appeal, being that it has power to annul decision on their expelling, but Main Board didn't support them. <i>"I still called upon total unity. We haven't discussed other issues, as I told you that we wouldn't"</i> - said <b>Dragan Covic</b> , HDZ Chair. <b>RHB</b> – HDZ Chair <b>Dragan Covic</b> stated after the session that he feels that he has the support of all party institutions. He also stated that key topic of the session was the issue of constitutional changes. As far as Raguz is concerned Covic reminded that he is no longer an HDZ member and therefore has no access to HDZ sessions. <b>RTRS</b> , <b>BHT1</b> , <b>Hayat</b> , <b>Dnevni Avaz</b> , pg 10 'Bodyguards threw out Raguz from [hotel] Croatia' by <u>F.Vele</u> , <b>Nezavisne Novine</b> pg 3, announced on cover 'Raguz expelled from HDZ session', <b>EuroBlic</b> pg RS2 'Stop to Raguz' <u>not signed</u> also reported on the session, mentioning that Raguz was physically removed from the building.<br><b>Dnevni Avaz</b> , pg 10 'Covic wins clash of factions', mentioned on cover, by <u>F.V – N.H</u> – At Thursday's session of HDZ Main Board, clash between HDZ leadership and their opponents have finished with "absolute victory", as DA comments, of HDZ leader <b>Dragan Covic</b> . 139 out of 147 present members supported Covic, eight were sustained, none voted against him. DA stresses it is interesting that even those who signed Promemoria [document which accused Covic for forging party elections] voted in favour of Covic. Covic said: <i>"I had told you, I have support from all HDZ bodies, even from the Main Board."</i> <b>Oslobodjenje</b> , pg 2 'Matrin Raguz thrown away from session' by <u>A.Omeragic</u> – HDZ Spokesperson <b>Miso Relota</b> stated that Covic was threatened by unidentified person the night before the Main Board session. |

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| DL: Raguz, Merdzo, Relota on session of HDZ Main Board                                 | <b>Dnevni List</b> , pg 3, mentioned on front 'Raguz violently expelled from session of HDZ', by <u>Sanja Bjelica</u> – carries statement by <b>Martin Raguz</b> that he was forcibly prevented from taking part in the session. Inset entitled 'Annul decisions on expulsion from party' carries <b>Josip Merdzo</b> as saying that he managed to give a big number of members of the HDZ Main Board a letter in which he explained how <b>Covic</b> and <b>HDZ Presidency</b> gravely violated the HDZ Statute when they took decision to remove him, <b>Bozo Ljubic</b> and Raguz. Inset entitled 'Threats against Dragan Covic' carries HDZ spokesman, <b>Miso Relota</b> , as saying that the HDZ security told Raguz to leave the session because he was not authorized to attend it, after which Raguz left the session with threatening messages. Moreover, Relota says <b>Dragan Covic</b> and HDZ Presidency members received threats over mobile phone on Wednesday night, when it was said that there would be an incident at the session of the HDZ Main Board. Relota underlines that the Interior Ministry was informed about this.  |
| SNSD to initiate vote of no confidence in RS Government                                | <b>RTRS</b> – SNSD Chair <b>Milorad Dodik</b> stated that SNSD deputies in RS National Assembly would launch an initiative for voting no confidence in RS Government at next session of RS NA. He also stated that RS might get a new Government in January. <i>"We as a party do not run from responsibility of taking over the Government"</i> , says Dodik. He concluded that SNSD will take over the Government if their demands are accepted by RS NA. <b>Dnevni Avaz</b> pg10 'By end of January SNSD will demand replacement of RS Government' also covered the issue.   |
| Cavic says he is ready to appoint PM designate from ranks of opposition                | <b>Dnevni List</b> , pg 4 'Initiative for change of Government is legal', <u>not signed</u> , <b>Dnevni Avaz</b> pg 10 'Cavic will offer the mandate to the opposition' – RS President, <b>Dragan Cavic</b> , says the announced initiative by the SNSD that it would topple the RS Government is legal, confirming that he is ready to appoint a PM designate from the ranks of the opposition. Cavic reiterated that the SDS would not take part in the possible new parliamentary majority. <b>Nezavisne Novine</b> pg 2 'Cavic: I am ready to propose PM-designate from the current opposition' by V.Popovic, <b>Glas Srpske</b> pg 2 'No game about PM-designation' by M.Dz. – <b>Dragan Cavic</b> , RS President, Thursday expressed readiness to propose PM-designate from the current opposition, adding that the initiative SNSD announced (regarding voce-of-confidence in RS Government) was in line with law and constitution. He stressed: <i>"I will not play with this and I am ready for co-habitation, i.e. to designate opposition representative a PM. However, they first need to tell me whether they have parliament majority. I do not want to fo into experiments of designation, because I would then be responsible for the crisis."</i> He also said that SDS would not destroy the existing government, neither would it take part in new government. |
| Schwarz-Schilling brings with him team of experienced international diplomats, experts | <b>Slobodna Bosna</b> pg 10 'Schwarz-Schilling brings with him serious team of international diplomats and experts' <u>not signed</u> – Slobodna Bosna alleges that new High Representative <b>Christian Schwarz-Schilling</b> will make serious changes in OHR leadership. SD states that from the high positioned staff, only PDHR <b>Lawrence Butler</b> will keep his place, new SDHR will be <b>Peter Baas Backer</b> (Netherlands), new Chief of Political Department will be <b>Dieter Ruge</b> (Germany) and <b>Dieter Wolkewitz</b> (Germany) will be Schilling's new Chief Advisor. Ruge has been working as political advisor in German Embassy in London; Wolkewitz (PhD in Law and Politics) has been working with OSCE Mission in BiH and is a founder of European Stability Institute [ESI].   |

## Crime/Legal Proceedings

EUFOR action to arrest a war crime suspect ends tragically: a woman killed, two other persons wounded

**FTV**– In an EUFOR attempt near Rogatica to arrest war crimes suspect **Dragomir Abazovic** indicted by the Sarajevo Cantonal Court, his wife **Rada Abazovic** was killed, while Dragomir and his child Dragoljub suffered severe injuries. Doctor of Foca Hospital stated that Dragoljub health condition is stable and that Dragomir was transferred to Sarajevo hospital, by the order of BiH Prosecution. *“As EUFOR troops were being deployed at the location fire was opened on them and they fired back in self defence. Two people were wounded at the spot as the indictee injured himself,”* stated **Jam Thomas**, EUFOR Spokesperson, adding that all further information on this case will be provided by the BiH Prosecution.

Thomas added that local police and SIPA have participated in this action, which was denied both by RS police and the agency. *“RS Police was not informed about this EUFOR action nor it has participated in it”*

underlined RS MoI spokesperson **Radovan Pejic**. *“SIPA hasn’t directly participated nor it was informed about these activities,”* stated **Admir Katika**, SIPA Spokesperson. **RHB, PINK, BHT, Hayat, RTRS, Dnevni List** cover pg splash and pg 2 ‘Rada Abazovic killed, son and father heavily wounded’ by D. Kozina, **Nezavisne Novine** cover pg splash and pg 3 ‘Woman was killed, her son and husband were wounded’ by D. Muminovic and R. Rakic, **Vecernje Novosti** pg 15 ‘They searched for a man, killed his wife’ by E. V. N., **EuroBlic** cover pg splash ‘EUFOR was arresting a suspect, killed his wife and wounded his son’ and pg RS1 ‘They were arresting a suspect, killed his wife, wounded his son’ by EuroBlic team, **Glas Srpske** cover pg splash ‘Wife dead, son wounded’ by E. G. S. also covered the operation/incident.

**Dnevni Avaz**, pg 2 ‘Dragomir Abazovic fired first on Carabinieri’ by S.Turcalo – DA carries the statement of EUFOR Spokesperson **Jem Thomas** saying Abazovic hurt himself. Journalist adds it is uncertain who injured the wife. Inset, ‘Paravac demands information from Chiarini’. **Oslobodjenje**, pg 3 ‘Dragomir Abazovic arrested’ – Spokesperson for Sarajevo Cantonal Prosecutor’s Office Spokesperson **Oleg Cavka** said Abazovic was indicted for war crimes committed in Rogatica region. **Dnevni Avaz**, pg 2 ‘[Abazovic] was right hand of disreputable Rajko Kusic in Rogatica ‘



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| <p>Serb political representatives<br/>Cavic, Paravac<br/>demand<br/>investigation<br/>into the<br/>Rogatica<br/>incident</p> | <p><b>FTV, Glas Srpske</b> cover pg splash 'Wife dead, son wounded' by <u>E. G. S.</u> – RS President <b>Dragan Cavic</b> has sent a letter to EUFOR Commander <b>Gian Marco Chiarini</b> asking for thorough investigation into the incident, which occurred during the EUFOR attempt to arrest a war crimes suspect near Rogatica. Cavic told the press in Banja Luka that "<i>nobody has the mandate to kill, shot at innocent people</i>", stressing that this is the harshest strike against the reputation and trust in EUFOR and the military stabilization forces in BiH. Cavic adds that no one has a right to take innocent life, regardless to EUFOR mandate. Member of BiH Presidency <b>Borislav Paravac</b> also asked for report on this case. <b>Nezavisne Novine</b> cover pg splash and pg 3 'Woman was killed, her son and husband were wounded' by <u>D. Muminovic</u> and <u>R. Rakic</u> also carried Cavic, Paravac's reactions.</p>  |
| <p>DL criticizes<br/>EUFOR for way of<br/>conducting<br/>arrest of<br/>Dragomir<br/>Abazovic</p>                             | <p><b>Dnevni List</b>, pg 2 'Bloody morning', by <u>Tanja Dragic</u> – Commenting on the joint SIPA/EUFOR operation near Rogatica in which <b>Rada Abazovic</b> got killed, the author criticizes EUFOR for the alleged excessive use of force. <u>Dragic</u> argues that all war crimes suspects should indeed be arrested, however she questions the way yesterday's operation was carried out having in mind that the arrest warrant for Rada's husband <b>Dragomir</b> was issued firstly in 1999 and secondly in 2001. She underlines that the fact was that Dragomir was not on the run, that he was at home, therefore the arrest should have been carried out in a better, more suitable way, without presence of children and without opening fire. <u>Dragic</u> heavily criticizes EUFOR troops, calling them 'murderers and arms dealers', saying that the latest information from the BiH State Border Service say that EUFOR troops have in last year and a half tried to smuggle weapons out of BiH on more than 5 occasions.</p> |

Frozen SDS funds to be transferred to BiH Institutions because Karadzic was not transferred to ICTY by December 31 2005

**PINK** by Danijel Vujanovic– High Representative **Paddy Ashdown** decided to transfer SDS's financial means, which were frozen by his decision from October 28 2005, to BiH Institutions. Reporter explained that amount of these means that were paid to SDS account in period January till September, is about half a million and they would be returned to the SDS if **Radovan Karadzic** and **Ratko Mladic** were extradited to the ICTY till December 31. *"This transfer hasn't happened and as a result, these means will be transferred to BiH Institutions and will be distributed to SIPA, BiH War Crime Chamber and BiH Election Commission"*- stated **Ljiljana Radetic**, OHR Spokesperson. OHR states that this transfer should support strengthening of rule of the law. RS President **Dragan Cavic** sees this decision as: *"Political retribution and this retribution lasts in continuity and will last all till Karadzic and Mladic are not in The Hague, regardless to place of their arrestment"*. Cavic stated that trial against **Mirko Sarovic**, is an example that not just the party, but also the individuals are submitted to political pressures. **RTRS**– Cavic stated that decision of OHR to forward SDS funds to state institutions represents political retaliation. *"SDS is a victim of these processes and is hurting due to position of numerous international organisations"*, says Cavic. He also stated that SDS is in no connection with Karadzic and Mladic. **RHB, BHT1, Oslobođenje**, pg 3 'Money to SIPA, BiH Court and BiH Electoral Commission', **Dnevni List** pg 7 'Funds from SDS to state institutions' not signed also covered the issue. **Oslobođenje**, pg 3 'Political retaliation against SDS', **Dnevni Avaz** pg 4 'SDS's 100 thousand of euros given to BiH Institutions', insert 'Cavic believes that this is political retribution' carried Cavic's reaction to OHR redirected frozen SDS money to SIPA, BiH Court and BiH Electoral Commission. **Nezavisne Novine** pg 6 'Money of SDS was transferred to BiH budget' by V. Popovic, **EuroBlic** pg RS3 'Revenge of OHR against SDS' by Srna, **Glas Srpske** pg 3 'Lesson on (non)-cooperation' by M. Dzepina and S. Miletic carried OHR, Cavic's statements on the issue.

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| <p>RS MoI's Pejic comments on Mladic's associates</p>   | <p><b>Oslobodjenje</b>, pg 7 'Pecanac and Furtula betrayed their war commander?' mentioned on cover, <u>by Edina Kamenica</u> – Asked to comment on Major <b>Dragomir Pecanac</b> and <b>Radomir Furtula</b> former close associates of <b>Ratko Mladic</b>, RS Ministry of Interior Spokesperson <b>Radovan Pejic</b> said: <i>"Our estimations tells us that activities are in the final phase, and answering this question would have endanger operative and intelligence work."</i> Pecanac and Furtula have just recently being mentioned in letter of SDHR <b>Martin Nay</b> to RS Prime Minister <b>Pero Bukejlovic</b>. The letter qualifies them as persons who gave statements to Serbia MoI regarding investigation of destiny of Zepa war commander <b>Avdo Palic</b>. Pecanac is an ICTY suspect for war crimes in Srebrenica, Furtula has been known for arresting and humiliating French soldiers of UN.</p> |
| <p>Dnevni Avaz op-ed on BiH's lawsuit against SCG: Ivanic is using legal institution to commit illegal acts</p> | <p><b>Dnevni Avaz</b>, op-ed pg 3, "Why are Paravac and Ivanic in panic' <u>by Husein Orahovac</u> – International Court of Justice in the Hague will have its first session on BiH lawsuit against SCG on February 28. Author comments that it is quite reasonable that official Belgrade is in panic, adding that is not clear why BiH Presidency member <b>Borislav Paravac</b> and BiH Foreign Minister <b>Mladen Ivanic</b> are in panic. Author says that the only reasonable explanation would be that Ivanic has been using BiH legal institution to commit illegal acts.</p>   |
| <p>Serbia President Tadic appealed on Karadzic and Mladic to surrender</p>                                      | <p><b>Nezavisne Novine</b> pg 2 'Tadic sent out a message to Karadzic and Mladic: Surrender!' <u>by Wiener Zeitung</u>, <b>EuroBlic</b> pg 2, announced on cover 'Tadic appealed on Karadzic and Mladic to surrender' <u>by Wiener Zeitung</u>, <b>Glas Srpske</b> pg 3 'No bargaining on Kosovo' inset 'Surrendering' – In a statement for <i>Wiener Zeitung</i>, Serbian President <b>Boris Tadic</b> appealed on <b>Radovan Karadzic</b> and <b>Ratko Mladic</b> to surrender, noting that after <b>Ante Gotovina</b> was arrested Serbia got the reputation as the only country that is not cooperating with the Hague Tribunal.</p>  |

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| <p>RS POWs handed over to Tadic documents on crimes against Serbs during war in BiH</p>     | <p><b>Nezavisne Novine</b> pg 2 'Prisoners of war handed over documentation on crimes' <u>not signed</u> – Delegation of RS Prisoners of War submitted documentation on suffering of Serbs during the past war to Serbian President <b>Boris Tadic</b>. Chair of RS POW Association <b>Branislav Dukic</b> stated that they submitted documentation on war camps for Serbs that were situated in FBiH , Croatia and Slovenia . RS POW Association offered to participate in the witness role in BiH lawsuit against SiCG and in the war crime processes.</p> |
| <p>Scheffer: BiH and SiCG might join the Alliance after they arrest Karadzic and Mladic</p> | <p><b>Nezavisne Novine</b> pg 4 'To NATO after they arrest Karadzic and Mladic' <u>by Agencies</u> – NATO Secretary General <b>Jaap de Hoop Scheffer</b> has stated BiH and SiCG might become members of the Alliance at the next NATO Summit in 2008, but only if <b>Radovan Karadzic</b> and <b>Ratko Mladic</b> are arrested by then.</p>   |

## Economic/Social Issues

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| <p>VAT: inspections started, merchants confused</p>    | <p><b>PINK, FTV, Hayat, RTRS, Oslobodjenje</b>, pg 6 'Merchants respect margins on bread' by <b>M.K.S.</b>, <b>Nezavisne Novine</b> pg 5 'Shopping centers respect the order on reduction of mark-up' by <b>R. Cengic</b> – Media report that BiH merchants are confused, being that some are using new prices, while others aren't selling at all, because they do not know how to form the price. Market Inspectors of Canton Sarajevo have inspected 25 shops on Wednesday and Head of Inspectorate <b>Midhat Pasic</b> stated that merchants are faced with problems, due to Indirect Taxation Administration's mistakes. Pasic explained that wholesalers are confused, because they do not know how to form the prices and ITA couldn't help them. <i>"It is bit absurd that institution that carryout the VAT and which should have answer on any question, can give the answer"</i>- sated Pasic. <b>FTV</b>– Media comment that Market Inspections have stressed that Indirect Taxation Administration is "the weakest part "in VAT system. CS Market Inspection organized itself, being that ITA failed to give any directions.</p> <p><b>FTV</b>– FBiH Monitoring Team confirmed that they will give certain guidelines, where 20 Inspectors per Canton will perform control as of Monday and where penalties for abuse will go from KM200 to KM 1,000.</p> <p><b>Nezavisne Novine</b> pg 5 'Inspectors out in field, penalties next week' by <b>P. Klincov</b>, <b>EuroBlic</b> pg RS5 'They are waiting for complaints of citizens' by <b>EuroBlic team</b> reported on monitoring of prices in RS.</p> |
| <p>VAT caused increase of certain products' prices</p> | <p><b>PINK</b> mentions that prices of basic groceries have increased, adding that a positive example was Sarajevo-based Klas bakery and other bakeries in Canton Sarajevo, who kept the old prices. <b>FTV</b> brings report on increased prices of medicines. Director of Sarajevo Apoteke <b>Resad Catic</b> explained that VAT on essential medicines would be paid by the state Healthcare Institute. Bosnalijek and company's Director <b>Edin Arslanagic</b> have decided to share this burden with citizens and because of that they have decreased their producing prices for 7- 30%. Both Arslanagic and Catic emphasised the fact that VAT will reduce and abolish the black market of medicines, that exists in BiH and which makes quarter of the whole market.</p>   |

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| <p>Spiric, Ceman, Beslagic, Djurkovic, Hadziahmetovic, Novakovic on proposal to exempt publishing sector from VAT</p> | <p><b>Dnevni List</b>, pg 7 'Groceries should be exempt from VAT like publishing', by <u>Danka Polovina-Mandic</u> – Speaker of the BiH House of Representatives, <b>Nikola Spiric</b>, says he did not officially receive Chairman of BiH CoM, <b>Adnan Terzic's</b>, request for urgent session of the BiH HoR, which was allegedly sent last Friday and which would discuss Proposal of changes to law on VAT related to exemption of books, brochures, publications etc. from VAT. Spiric says he has heard that Terzic wants an urgent procedure, however he notes that Terzic's request can only be included as an item on the agenda of the regular session of the BiH HoR scheduled for January 16, not earlier. Moreover, Spiric says he has nothing against the proposal, however he notes it will be very difficult to exempt only the publishing, without exempting basic groceries too. <b>Mirsad Ceman</b> (SDA) and <b>Selim Beslagic</b> (SDP) agree with Terzic's proposal, whilst PDP's <b>Jelina Djurkovic</b> disagrees, saying it is more logical to exempt bread, milk and flour. <b>Azra Hadziahmetovic</b> (SBIH) and <b>Momcilo Novakovic</b> (SDS) will wait for their caucuses to declare themselves, however both wonder why exempt only the publishing sector.</p> |
| <p>Banja Luka tobacco factory to lower its prices, Mostar and Sarajevo factories will keep current prices</p>         | <p><b>Dnevni List</b>, pg 4 'Cigarettes in RS cheaper, prices in FBiH remain the same', by <u>Erna Mackic</u> – According to the manager of the Banja Luka tobacco factory, <b>Dubravko Prstojevic</b>, the said factory will decrease prices of their cigarettes by 3% since their products used to be taxed at 20% and the VAT stands at 17%. On the other hand, the tobacco factories from Sarajevo and Mostar say they will maintain the current prices.</p>  |
| <p>President of the FBiH Association of Consumers: 'Chaos on market due to VAT'</p>                                   | <p><b>Dnevni List</b> pg 9 'Chaos on market due to VAT' by <u>I. Rozic</u> carries that President of the FBiH Association of Consumers <b>Zeljko Bodul</b> stated that merchants are abusing the VAT introduction and they increase prices by over 17 %. Bodul also said that a phone number at which illegal increase of prices can be reported is not working and he added that ordinary citizens are completely powerless in the whole situation.</p>  |

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| <p>GS: Chairman of ITA Governing Board Dixon is trying to hush up the problem of non-payment of 28 million KM to RS</p> | <p><b>Glas Srpske</b> pg 6 'Dixon's point on question mark' by <u>D. Vrhovac – Mihajlovic</u> – GS claims Chairman of ITA Governing Board <b>Jolly Dixon</b> is hiding the core of the problem with regard to non-payment of 28 million KM to RS and reads GS was not invited to attend the latest press conference of the Governing Board at which Dixon stated nobody was caused any damage due to "freezing" of coefficient. RS member of the Governing Board <b>Miodrag Kudic</b>, on the other hand, claims the opposite and says that, due to non-implementation of Decision on calculation of distribution coefficient, RS was deprived of approximately 30 million KM, while Brcko District was deprived of 5 million KM last year. The article reads Dixon reached this decision despite to opposing of RS members <b>Svetlana Cenic</b> and Kudic and tried to hush up the entire case.</p> |
| <p>Cavic: 2006 will be difficult due to VAT introduction, social impact it will have</p>                                | <p><b>Nezavisne Novine</b> pg 4 'Cavic met with the most successful ones' by <u>Srna</u>, <b>Glas Srpske</b> pg 2 'Toast for successes' by <u>M. Dzepina</u> – RS President <b>Dragan Cavic</b> organized a reception for the most successful businessmen on the occasion of January 9 – the Day of RS – on which occasion he stated 2006 will be difficult due to introduction of VAT, social impact it will cause over first several months and lack of capital in economy. He also noted this year will be the year of great pressures, one of the greatest will be the finalization of obligations towards the Hague Tribunal, i.e. bringing to justice <b>Radovan Karadzic, Ratko Mladic</b> and <b>Stojan Zupljanin</b>.</p>  |

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| <p>RS Government passed proposal of Economic Policy for 2006</p>                    | <p><b>PINK, Nezavisne Novine</b> pg 6 'Approval to EFT for construction of thermal-electric power plant' by <b>D. R., EuroBlic</b> pg RS3 'Construction of thermo-electric power plant and development of "Stanari" were approved' by <b>M. Soja, Glas Srpske</b> pg 2 'Unemployment is crucial problem' by <b>G. Dakic</b>— RS Government has established the proposal of Economic Policy for 2006. This draft predicts increase of GDP, which in 2006 should be KM3, 368 per capita. RS Director of Institute for Planning <b>Tihomir Spremo</b> stressed that measures of RS Government should decrease the foreign-trade deficit and added that coverage of import by export should be in amount of 43, 5%. Spremo added that current unemployment rate in RS of 37, 9% should be decreased to 36% and added that RS could have better macroeconomic pointers by the end of 2006. <b>RTRS-</b> RS Government also considered the offer from ERT on construction of power plant in Stanari. RS Minister of Economy, Energy and Development <b>Miladin Gligoric</b> stated that this is a very important investment for RS. Start of works is planned for 2007.</p> |
| <p>BiH budget to be discussed at end of January, FBiH's one not before February</p> | <p><b>Dnevni Avaz</b> pg 8 'On 16, January on Budget and VAT'- Chair of BiH HoR <b>Nikola Spiric</b> announced discussion on VAT and budget of BiH institutions for 16, January. <b>Dnevni Avaz</b> pg 8 'Discussion of budget for 2006 not before February'- <b>Muhamed Ibrahimovic</b> , Chair of FBiH HoR stated that FBiH budget for 2006 could be discussed not before February. He added that no one from FbiH Government has addressed him with the budget proposal. Chair of FBiH HoP <b>Slavko Matic</b> stressed that budget will most certainly will not be discussed on January, due to upcoming holidays. FBiH Parliament has rejected the budget proposal at the end of the year, due to which the decision on temporary financing was passed in FBiH Parliament.</p>   |



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| <p>Commission for Finances and Budget of BiH HoR rejects RS members amendments to state 2006 budget</p> | <p><b>Dnevni List</b>, pg 5 'Serb are undermining state budget out of revenge', by <u>Danka Polovina</u> – Reports that the Commission for Finance and Budget of the BiH House of Representatives supported the state budget for 2006 that amounts to 955 million KMs, however members of the Commission from the RS did not vote for the budget. Deputy Chairwoman of the Commission, <b>Ruza Sopta</b> (HDZ), notes that one gets an impression that the Commission members from the RS are having revenge because the entity (RS) budget has not been adopted. She explains that the RS members' amendments were rejected because the adoption would have meant a series of changes to other budget items. On the other hand, Commission Chairwoman, <b>Ljiljana Milicevic</b> (SDS), argues that their amendments would have secured cost cuts. <i>"We have requested that the SDS Presidency addresses the issue and I expect we will have their opinion by the next session of the chamber"</i>, says Milicevic. DL notes that one of the rejected SDS' amendments was to allocate initial 5 million KMs to BiH Statistics Agency for start of preparations for carrying out census in BiH.</p> <p><b>EuroBlic</b> pg RS2 'Hands in pockets over money for census' announced on cover 'SDS will not support BiH budget' by <u>Rajna Radosavljevic</u> – Chairperson of BiH Parliamentary Commission for Budget and Finances and member of SDS <b>Ljiljana Milicevic</b> confirmed for <i>EuroBlic</i> that BiH state budget for 2006, on which delegates will present their stances on January 16, was approved by the Commission. Nevertheless, judging in accordance with reactions of Serb delegates, adoption of the budget is quite uncertain. Milicevic claims neither SDS nor SNSD delegates have supported the budget and she added most of amendments SDS has submitted was not adopted. One of those amendments suggested that approximately 5 million KM should be earmarked to cover expenses of census. She announced the final stance of SDS with regard to support to BiH budget will be known in seven days, after a meeting of SDS leadership is held. SDA's <b>Mirsad Ceman</b>, on the other hand, claims the budget was accepted in principles, while the result of voting would depend on destiny of amendments. PDP's <b>Jelina Djurkovic</b> says it was difficult to predict the results of voting for the state budget and announced her stance would depend on an agreement and unity of Serb delegates.</p> |
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## Miscellaneous

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| <p>Decertified policemen to go on hunger strike</p>  | <p><b>FTV, Dnevni Avaz</b> pg 2 ‘Decertified police officers announced strike before OHR on January 16’ – FBiH and RS decertified policemen will start hunger strike on 16 January, before the OHR building. The Association of Decertified Policemen representatives say the strike is their way of protest against failure to execute decision of BiH Parliament on conducting the audit into (de)certifying process. Chair of the association, <b>Ramo Sulic</b> stated that they will also submit their letter of protest to BiH Parliament, Council of Ministers and BiH Presidency. Sulic explained that they are asking for abolishment of lifetime ban on work, till end of the audit. He stressed that if their demands are rejected they will ask for criminal persecution of members of BiH Presidency (<b>Sulejman Tihic, Borislav Paravac and Dragan Covic?</b>), Chair of CoM <b>Adnan Terzic</b> and BiH Minister of Human Rights <b>Mirsad Kebo</b>.</p> |
| <p>President of Cant. Court in Livno: ‘Reduction of salaries would not influence work of judges and prosecutors’</p> | <p><b>Dnevni List</b> pg 9 ‘Reduction of salaries would not influence work of judges and prosecutors’ by <u>NINA</u> – President of the Cantonal Court in Livno <b>Nedim Begic</b> stressed that the reduction of salaries of judges and prosecutors on the ground of the decision passed by High Representative <b>Paddy Ashdown</b> would not influence professional and efficient work of the judges and prosecutors in the Canton 10.</p>  |

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| <p>Serb refugees and<br/>DPs are protesting against usurpation of Serb property in FBiH</p>                | <p><b>Dnevni List</b>, pg 5 'Usurped Serb property in Federation', <u>not signed</u> – President of the 'Ostanak' Association of Refugees and DPs from RS, <b>Bosko Bajic</b>, claims that the Association would resort to all democratic means, including blockades of roads, if the Serbs' property in the FBiH, foremost in Sanski Most and Sarajevo, is not protected. Bajic cites an example from Sanski Most where one <b>Mirsad Hodzic</b> apparently built a house on the land owned by one <b>Slavko Dragicevic</b> and apparently all this was sanctioned by a decision of the Cantonal Court in Bihac.</p> |
| <p>RS Minister of Education Bozic ordered check up to determine whether Dean Radomir Lukic was removed</p> | <p><b>Nezavisne Novine</b> pg 6 'Check up whether Lukic was removed' by <u>G. M.</u> – RS Minister of Education <b>Snjezana Bozic</b> issued the order to the Education Inspection Service at the East Sarajevo Faculty of Laws to check whether the decision of the High Representative and RS Government regarding the removal of Dean <b>Radomir Lukic</b> was executed.</p>   |